

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 16, 1996

SUBJECT: **SB 2126 - HB 2434**

This bill, if enacted, requires property tax relief calculations to be made without consideration of the appraisal ratio. Current law requires that the appraisal ratio be used to calculate both the full market value and the effective property tax rate. For purposes of providing tax relief under the bill, the actual appraised value would be considered the market value of the property. In addition the tax relief amount would be calculated using the actual property tax rate rather than the effective property tax rate.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures of \$400,000 since both the full market value and the effective property tax rate will be increased by the revised calculation methods contained in the bill.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive style with a large, stylized 'J' and 'D'.

James A. Davenport, Executive Director